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3rd Anniversary Report

Stock-taking

Interest due injection into campaign by <u>Bush</u> last week Your original charge:

- 1. Produce good intell.
- 2. Ensure under control legal, propriety
- 3. Manage community
- I Manage Community

Made some progress - basic fact no one wants community too many parochial bureaucratic interests

Have consolidated budget process - produce good budget
document - significant step forward

It provides a more logical use of funds

Does not do much to eliminate waste and duplication

yet found way to attack them with present authorities

One area real unquestioned community improvement is

FBI-CIA on CI

Immensely better

Thanks to Webster

II Ensuring under control

Means CIA - 2 distinct issues needed attention

 No DCI had really brought 4 separate operating directorates into which CIA divided under his control

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5X1

Mechanisms such as personnel management were all dispersed - with little expectation of a Director's role and almost no capability for one

 3 years ago Agency was just beginning adjustment to oversight process

Particularly difficult for group accustomed isolation under cloak secrecy

Both adjustments--centralized control and oversight--painful

Emphasize - never felt any inclination to deliberate evasion,

or desire accomplish task in contravention of rules - if

anything, too responsive (should have said no to some past

pressures)

But strong culture of "we know best how to do it - no one else can possibly understand" - "tell us what you want and leave us alone to do it"

Fierce <u>pride</u> great <u>asset</u> - also liability - particularly during period intense change such these 3 years - esprit encourages a "we" - "they" attitude revisits <u>imposed</u> change Well along ensuring responsiveness to Director and DDCI - personnel management, etc.

Concern to institutionalize

If don't and power drifts back to lower levels in

Agency and oversight slackens - could be back in

trouble - not out maliciousness - overenthusiasm
overresponsiveness

III Good Intell.

A. Bush charge - HUMINT collection neglected
Not so -

(1) Appears to be case bec \$ in sat program receive so much attention

(2) Reverberations are from '77 reduction and from fact

I'm asserting Director's control over DDO (legalities,
proprieties) where virtual independence resigned

Old guard defending its turf with certainty
it knows best

Reduction in retrospect still good move and necessary

- (1) Purge old-timers couldn't adapt to oversight and
 DCI control Overweighted at top
 - (a) Have moved to double input at bottom
- (2) Overstaffing -

Discouraging younger generation - too much supervision

2 areas where are <u>problems</u> in HUMINT:

Enticing overseas service - qual recruits hi

B. Quality of product

Best in such areas as <u>SALT</u> - where persuasiveness of work and staying out of politics helped Admin credibility; and economics where 1977 oil predictions holding good; and warning of military actions -

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Stol

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VN - Kamp

PRC - VN

USSR - Afghan

Less precise on more subtle pol issues such societal change Always will be most difficult area

Some built-in cultural problems here, too

Tendency to be a<u>cademic</u> - searching for truth, pleasing other analysts - rather than timely support to policymakers - Like rec academics, fear charge of being superficial (timeliness sometimes precludes depth)

on to alternative explanations vice single definitive prediction

> Must have been burned by charges of waffling Bowie injected important intellectual ferment especially need for long-range research - tiends vice
>
> Local needed to be stirred up, was complacent -

Successor complementing with better

administration_

lill endeavor

Have not tried to be as comprehensive on what's going on - assumed had so many sources of up-to-date specifics Also frankly very difficult to keep abreast your specific interests.

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Sunan Land Bofom Can Cab Inflation

Appreciate your efforts to include

me in dec process - Never would have

suspected degree of your interest

some topics you listed

Will attempt reshape

IV Bottom line

- 1. Well along major change in intell. process
 - 3 years introduced major new amount oversight never before anywhere

Exec Branch - much more control, check points

Legis - almost all new

Even public - press

2. Achilles heel is secrecy

Hughes-Ryan

FOIA

Agee

More appearance than fact

Essential element - stop leaks - mainly from Exec Branch -

- (1) Authorized backgrounders that exceed what should say
- (2) Unauthorized leaks to affect policy
- If can't staunch flow no legis or promises will help collaborators will see we're unreliable
- 3. I believe we've made great strides in 3 years in restoring public esteem and confidence externally and pride and morale internally on way up on both counts Apol people

MA

Finally, need your continued support if going make any more progress on bringing community together - not so much \$ as appearances of backing to be DCI not CIA